

Technical Compliance Advisor
TCAPR CORP.
US District Court Monitor

UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,
Plaintiff,

v.

COMMONWEALTH OF PUERTO RICO, ET
AL.,
Defendants.

No. 3:12-cv-2039 (GAG)

CLERK'S OFFICE ANNEY
U.S. DISTRICT COURT
SAN JUAN, PR

2014 AUG -6 PM 2:56

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REQUEST FOR APPROVAL AND PAYMENT OF FIXED EXPENSES

TO THE HONORABLE COURT,

Comes here, the TCA Office, and respectfully informs and requests:

1. That the TCA Office may submit a request for payment of certain monthly expenses as per the Stipulation presented by the parties, and approved by this Honorable Court, on June 26, 2014 (Dkt. 139)
2. The TCA hereby submits for consideration, that the following administrative expenses be approved prior to their expenditure, in accordance to paragraph 22 of the Stipulation. Said expenses are as follows:

a. Monthly employees salaries:

| | |
|-----------------------------------------------------|-------------------------|
| Arnaldo Claudio (Technical Compliance Advisor)..... | \$18,000.00 |
| Eric Guzmán (Office Administrator)..... | \$10,800.00 |
| Lara A. Morell (Legal Advisor)..... | \$4,167.00 ¹ |
| Anjélica Orfila (Administrative Assistant)..... | \$2,500.00 |
| Josué López (Driver)..... | \$2,500.00 |

b. Office expenses:

| | |
|-----------------------------------|-------------------------|
| Monthly rent..... | \$3,000.00 |
| Telephone & Internet Service..... | \$164.99 |
| c. Accounting Service..... | \$1,460.00 ² |
| Total..... | \$42,591.99 |

¹ Adjusted for prior family leave scheduled the week July 5 to July 14.

² Invoice is attached.

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3. The TCA Office respectfully requests, that these expenses be approved and a check issued in the amount of \$42,591.99, the total amount of the fixed monthly expenses, for the month of August, 2014.

4. The TCA Office nor any member has received any income, compensation, or payment for services rendered under regular employment or contractual relationship with the Commonwealth, or any of its departments, municipalities or agencies.

5. TCAPR, Corp. recently contracted a local certified public accountant in compliance with Paragraph 30 of the *Stipulation and (Proposed) Order for the establishment of the TCA Office and the payment for TCA Expenses* (No. 12-cv-2039(GAG) dated June 26 of 2014, hereinafter referred to as the "Stipulation", whereby the TCA Office may contact with an accountant to assist in financial administration and managerial and accounting reports for each annual budget period. One of the results of this hiring is that the TCA is in agreement with the accountant that certain staffs and hired professionals meet the criteria of employees, and as such, TCAPR, Corp. is required to deduct, withhold, and deposit several employment related taxes (including the employer portion) with local and federal government agencies. This employment treatment is consistent with Section B of the Stipulation. Because of the delayed application of employment related tax deductions and employer contributions, and so that the now defined employees are not burdened by any retroactive tax withholdings, the TCA has determined that TCAPR, Corp. will assume all the costs associated to any and all employment related taxes due up to July 31, 2014. The TCA, with the assistance of the accountant, have agreed and established a working plan to ensure that all employment related taxes are adequately withheld and deposited going forward.

FOR ALL OF WHICH, the TCA Office respectfully requests this Honorable Court, that the monthly expenses be approved and a check issued in the amount of \$42,591.99, the total amount of the fixed monthly expenses, for the month of August, 2014.

In San Juan, Puerto Rico, this day August 6th, 2014.

I, Arnaldo Claudio, Technical Compliance Advisor, certify that the above information is true, correct and accurate; and that the requested amount will be deposited in the TCAPR Corp. commercial account.



Arnaldo Claudio –TCA

CERTIFICATE OF SERVICE: I hereby certify that an electronic copy of this document has been sent to all parties of record.



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Invoice for the Prior Month

Bill to:

TCAPR, CORP.

Eric Guzman
Executive Manager
World Plaza, Office 1001
268 Muñoz Rivera Avenue
San Juan, PR 0918

| | |
|-------------------|------------------|
| Invoice #: | 3385 |
| Date: | 8/4/2014 |
| Amount due: | 1460.00 |
| Terms of payment: | Due Upon Receipt |

| Item | Description | Qty | Unit cost | Price |
|-------------------|----------------------------------------------------|------|-----------|---------|
| Retainer Services | Monthly Fixed Fee Arrangement (1/12-Months) | 0.00 | 0.00 | 0.00 |
| Description | Accounting Cycle Services | 1.00 | 110.00 | 110.00 |
| Description | Invoice Preparation Assistance | 1.00 | 25.00 | 25.00 |
| Description | Financial & Budgeting Reporting | 1.00 | 100.00 | 100.00 |
| Description | Accounts Payable Processing | 1.00 | 45.00 | 45.00 |
| Description | Professional Tax Withholding & Deposits | 1.00 | 45.00 | 45.00 |
| Description | Payroll Processing | 1.00 | 75.00 | 75.00 |
| Description | Process Vendor & Payroll ACH Transactions | 1.00 | 150.00 | 150.00 |
| Description | Employer Quarterly Tax Preparation Services | 1.00 | 125.00 | 125.00 |
| Description | Corporate Annual Tax Returns | 1.00 | 350.00 | 350.00 |
| Description | Annual Informative Tax Returns | 1.00 | 50.00 | 50.00 |
| Description | Advisory Services (Exhibit A of Engagement Letter) | 1.00 | 350.00 | 350.00 |
| Description | Online Priviledges & Remote Access | 1.00 | 35.00 | 35.00 |
| | | | Total: | 1460.00 |